GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:7230
ANSWERED ON:13.05.2005
PURCHASE OF COTTON
Boianapalli Shri Vinod Kumar

Will the Minister of TEXTILES be pleased to state:

(a) whether the Cotton Corporation of India had commenced operations for purchase of cotton from farmers in Andhra Pradesh;

(b) whether the Government's attention is drawn to several complaints by farmers that only small quantity of their cotton had been purchased and that too at a lower price; and

(c) if so, the action Government had taken to redress the complaints of farmers?

Answer

MINISTER OF TEXTILES(SHRI SHANKERSINH VAGHELA)

(a) In Andhra Pradesh, the Cotton Corporation of India (CCI) has procured 64.19 lakh quintals of kapas (seed cotton) under Minimum Support Price (MSP) operations out of a total purchase of 138.79 lakh quintals of kapas (equivalent to lint cotton of 27.09 lakh bales of 170 kg each) all over the country.

(b) From time to time, representations are received from various quarters for purchase of maximum cotton at MSP by the CCI.

(c) To protect the interests of the cotton growers, the Government of India announces MSP for kapas (seed cotton) of Fair Average Quality (FAQ). Whenever the market price of kapas falls to the level of MSP declared by the Government of India, the CCI undertakes minimum support price operations and purchases kapas without any quantitative limit. As the MSP is fixed for kapas of FAQ grade, on /off allowance is given for any change in standard parameters. Though, the MSP announced is for kapas of FAQ grade, to protect the interests of the farmers, the CCI also procures below FAQ grade kapas after making suitable deduction. During the current cotton year, till 05.05.2005, the CCI has purchased a record 138.79 lakh quintals of kapas (equivalent to lint cotton of 27.09 lakh bales of 170 kg each) under support price operations.